

A STUDY ON PERFORMANCE MANAGEMENT IN BMTC WITH SPECIAL REFERENCE TO DIVISIONS

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ABSTRACT

A financial performance management is essential for every company to know the position of the business in this competitive world which helps them to analyse their strength and weakness. It analyses four years of data. This research study has been done with regards to divisions of BMTC in Bangalore. For the study purpose, secondary data have been collected from the annual report of these divisions for the period of four years starting from 2017-2020. Data has been analysed by applying one-way ANOVA. From the analysis, it has been concluded that there is a statistically significant difference in financial performance of these divisions based on the components like kilometre per litre top up oil, Total Vehicles, average vehicles on road and staff productivity of different zones. The expenses incurred with different zones have been analysed. It has been found from the study BMTC remains in standing Position compared to all other divisions between East, west, north, south and central zones. This also helps us to analyse the revenue and expenditure of the BMTC which gives information about financial health.

Key words: Financial Performance Management, KMPL, Financial health

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1. INTRODUCTION

The monetary presentation the executives alludes to the manners in which that an organization oversees and screens monetary outcomes across an association. The basic role of monetary execution the board is to contrast the outcomes with gauge and make changes appropriately. Street transport is viewed as one of the most practical and favoured method of transport, both for cargo and travellers, keeping in view its degree of entrance into populated region. Consequently it is essential for financial turn of events and social combination of the country. The Bangalore Metropolitan Transport Corporation is the sole public transport supplier for dependable, spotless and reasonable travel. The declaration of its prosperity lies in expanding traveller trips ordinarily by a wide scope of client base. With an end goal to modernize its administrations for worker solid, spotless and reasonable travel. Gopinath (2016 a) and Gopinath and Kalpana (2019) concluded that based on the analysis and discussion BSNL has good performance management systems, which makes the employees, were highly satisfied on the promotion, co-workers, work supervision and regard to payment for employees. De-Waal, (2007). PMS is impossible to be effective if focus is not given to performance driven behaviour rigorously and managers acting as role models. De-Waal and Coevert, (2007). The efficient implementation and effectiveness of PMS depends upon the behavioural factors of the employees and manager, and as how the managers beguiled the employees towards PMS. This gives us an impression that there are a variety of behavioural, psychological, and managerial factors that are involved in the effectiveness and efficiency of a employees and the organisation as well (Gopinath, 2016b). Dobija and Kravchenko 2017), the structure of the board of shareholders. Most of the strong economies have adopted CSR principles within their corporate regulatory Mechanisms (Gopinath, 2019). The issues related to industrial relations should also be taken care to improve the performance (Gopinath, 2014). Transportation is the fundamental wellspring of exchanging action which is a piece of financial development which takes care about development of people starting with one spot then onto the next. As we have different types of transportation in this paper creator focuses on the public transport transportation in Bangalore

2. REVIEW OF THE LITERATURE

Jawaria *et al.* (2010) this study gives us a clear picture of the PMS in the investigated organization. It fulfils all the major objectives identified for this research that is to study and verify the performance management system currently being applied in organization and comparing it with the standard PM model and to Identify barriers to implementation of effective performance management system

Kashif Rashid *et al.* (2015) the paper measure the financial performance of local and foreign banks operating in Pakistan, and secondly it investigates the causes of performance deficiencies. The performance of the sample banks is measured by using one-way Analysis of Variance ANOVA. It is concluded that foreign banks have a sound financial structure compared to local banks.

Idhayajothi *et al.* (2014) the study reveals that the financial performance is fair. It has been maintaining good financial performance and further it can improve if the company concentrates on its operating. The company should increase sales volume as well as gross profit. The company was able to meet its entire requirements for capital expenditures and higher level of working capital commitment.

Balaji (2015) The study on financial performance of company has revealed the financial strength and weakness of the company. The study shows that the profitability is decreased in the last year due to increases of the expenses and the company should take effective decisions

at the right time so as to rectify the weakness and it will lead to the efficient functioning of the business. The overall performance of the company is satisfactory.

Somnath Das(2020) this study focuses on the fundamental analysis which helps investors to select company to invest using ANOVA the significant relationship is been found with the selected companies specially concerning to Britannia, Daburm Godrej, HUL, ITC, Marico and Nestle companies.

Keerthi and Eswari (2020) The study was conducted in Kumbakonam to find out the financial performance of the bank using ratio analysis. After analysing the bank's five year financial reports. It is concluded that the overall financial performance of the bank is good. Based on the findings it is clear that the Banks's investment on government securities increases and the bank's investment on government securities increases and the bank has to take some necessary actions to improve its cash position and profitability.

Gopinath and Shibu (2014) have investigated the impact of periodical performance appraisal and consecutive rewards on job satisfaction. The research was conduct with BSNL employees through structured questionnaire. They found that in case of performance and satisfaction, one will not exist without other. So if you want to enhance the performance, satisfaction should be improved and vice versa.

Vijaya Batth *et al.*(2018) The examination fuses different monetary proportions of the organizations, which are under Maharatna and Navrana classifications. The examination assists with finding the organizations, which the monetary exhibitions are "great" or "poor". It shows that these organizations monetary execution are poor. In this examination, we tracked down a significant tracking down that, those organizations having great monetary position yet their additionally having less market capitalization. The review of the literature states that poor execution as per the review, but there is a variation in the performance when it is compared from place to place so there is a requirement to analyse the financial performance in road transportation in Bangalore.

2. OBJECTIVES

- To assess the relationship between various zones
- To assess the overall financial performance
- To measure the financial condition of the BMTC

3. HYPOTHESIS OF THE STUDY

H₀: There is no significance relationship between total vehicles used in different zones

H₁: There is a significance relationship between total vehicles used in different zones

H₀: there is no significance relationship between staff productivity among various zones

H₁: There is a significance relationship between staff productivity among various zones

H₀: There is no significance relationship between Kilometres per litre

H₁: There is a significance relationship between kilometres per litre

H₀: There is no association between utilization of vehicles on road

H₁: There is an association between utilization of vehicles on road

4. METHOD OF DATA COLLECTION

Secondary Data: It refers to the data collected by someone other than the user i.e. the data is already available and analysed by someone else. Common sources of secondary data includes books, magazines, newspapers, journals etc. in this study secondary data collection was used.

Sampling Design

The present study was mainly focused on various divisions of Bangalore Metropolitan Transport Corporation. The samples are (East, West, North, South, North East, Central) the staff productivity, availability of vehicles, utilization of vehicles and KMPS is been considered for the study using ANOVA

5. STATISTICAL TOOLS USED

ANOVA technique is been utilised for the following:

- Vehicles available at various divisions
- Vehicles utilised at various divisions
- KMPS at various divisions using Staff Productivity among divisions of BMTC

6. PERIOD OF THE STUDY

The study covered a period of 3 years (i.e 2017-2018 to 2019-2020) from the annual reports of BMTC

7. LIMITATIONS OF THE STUDY

- This study is confined only to Bangalore.
- The study was limited to only Three years financial data (2017-2020)
- The study is purely based on secondary data

8. ANALYSIS AND INTERPRETATION

Table 1 Showing Total Vehicles

Total Vehicles	2017-2018	2018-2019	2019-2020
East	1030	1031	1058
West	1179	1181	1202
North	1389	1412	1471
South	1120	1139	1158
North East	898	906	940
Central	848	852	861
<i>Source: Annual Reports of BMTC</i>			

Groups	Count	Sum	Average	Variance
East	3	3119	1039.667	252.3333
West	3	3562	1187.333	162.3333
North	3	4272	1424	1789
South	3	3417	1139	361
North East	3	2744	914.6667	497.3333
Central	3	2561	853.6667	44.33333

Source of Variation	SS	df	MS	F	P-value
Between Groups	637510.3	5	127502.1	246.275	1.170
Within Groups	6212.667	12	517.7222		
Total	643722.9	17			

From the table-1, it is analysed that p-value identified has 1.17 which is higher than 0.05, the result is considered has non-significant. Hence it is concluded that null hypothesis is accepted and H_1 is rejected based on the above analysis

Table 2 Showing Average vehicle on road

Average Vehicle on road	2017-2018	2018-2019	2019-2020
East	865.4	867.6	864.4
West	1011.5	1021.6	1004.8
North	1266.6	1267.8	1239.9
South	1023.3	1022.2	1003.9
North East	787.8	786	788.7
Central	648.5	649.5	640.7
<i>Source: Annual Reports of BMTC</i>			

Groups	Count	Sum	Average	Variance
East	3	2597.4	865.8	2.68
West	3	3037.9	1012.633	71.52
North	3	3774.3	1258.1	248.79
South	3	3049.4	1016.467	118.74
North East	3	2362.5	787.5	1.89
Central	3	1938.7	646.2333	23.21

Source of Variation	SS	df	MS	F	P-value
Between Groups	680694.7	5	136138.9	1749.708	0.0966
Within Groups	933.68	12	77.80667		
Total	681628.3	17			

From the table-2 it is analysed that p-value identified has 0.0966 which is higher than 0.05, the result is considered has non-significant. Hence it is concluded that null hypothesis is accepted and H_1 is rejected based on the above analysis

Table 3 Showing KMPL

KMPL	2017-2018	2018-2019	2019-2020
East	4.26	4.24	4.25
West	3.79	3.83	3.84
North	3.99	4.03	4.01
South	4.17	4.02	4.01
North East	4.19	4.3	4.34
Central	3.74	2.33	2.36
<i>Source: Annual Reports of BMTC</i>			

Groups	Count	Sum	Average	Variance
East	3	12.75	4.25	1E-04
West	3	11.46	3.82	0.0007
North	3	12.03	4.01	0.0004
South	3	12.2	4.066667	0.00803
North East	3	12.83	4.276667	0.00603
Central	3	8.43	2.81	0.6489

Source of Variation	SS	df	MS	F	P-value
Between Groups	4.482378	5	0.896476	8.09865	0.001509
Within Groups	1.328333	12	0.110694		
Total	5.810711	17			

From the table-3 it is identified that the p-Value is 0.005 which is less than 0.05 indicating the significance relationship between different divisions in BMTC. Hence Null hypothesis is rejected and H_1 is accepted based the data analysed

Table 4 Showing Staff Productivity in KMS

Staff Productivity in KMS	2017-2018	2018-2019	2019-2020
East	34.8	35.1	36.2
West	33.86	34.9	34.3
North	34.9	35.8	35.4
South	32.67	32.1	32.1
North East	35.45	35.9	36.8
Central	37.3	37.2	37.3
<i>Source: Annual Reports of BMTC</i>			

Groups	Count	Sum	Average	Variance
East	3	74.78	24.92667	345.2721
West	3	103.06	34.35333	0.272533
North	3	106.1	35.36667	0.203333
South	3	96.87	32.29	0.1083
North East	3	108.15	36.05	0.4725
Central	3	111.8	37.26667	0.003333

Source of Variation	SS	df	MS	F	P-value
Between Groups	299.3284	5	59.86568	1.037138	0.439585532
Within Groups	692.6643	12	57.72202		
Total	991.9926	17			

From the table-4 it is rectified that the p-value is valued to 0.439 which is less than 0.05 which shows that there is a significant relationship between various divisions at BMTC. Hence it is concluded that null hypothesis is rejected and H_1 is accepted based on the analysis

Result Analysis		
H_0	Total Vehicles	H_0 -Accepted
H_1		H_1 - Rejected
H_0	Average Vehicle on road	H_0 -Accepted
H_1		H_1 - Rejected
H_0	KMPL	H_0 -Rejected
H_1		H_1 -Accepted
H_0	Staff Productivity in KMS	H_0 -Rejected
H_1		H_1 -Accepted

9. CONCLUSION

The study was conducted in Bangalore to find out the financial performance of the BMTC using ratio analysis. After analysing the three years Annual administrative Report regarding Vehicles available, vehicles utilization, KMPL and KMP. it is concluded that from the analysis of the above study concerning to the availability of vehicles, usage of vehicles kilometre per top up

oil and KMS it is found that there is no significant relationship between different divisions in case of availability and utilization of vehicles of BMTC but the analysis on KMPL and KMS is notified with the significant relationship hence anova test is been applied for the duration of three years of financial statement information and The same have been the conclusion of Saminathan *et al.* (2020). Expectation of exemplary results without providing adequate resources may leads to occupational stress related physical and psychological issues to employees (Gopinath and Ganesan, 2014).

SCOPE FOR FURTHER RESEARCH

The study provides further scope using various other statistical tools and considering few more years of data as we have considered and analysed three years of data, comparative ratio analysis can be used among various divisions of BMTC. It is important to know the position of the company in the competitive which provides opportunity to extend its growth by providing quality services to the public.

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